17 July 1981

Dear Mark:

This is a somewhat difficult letter to write. I do not think it has been working out with you and us. You spoke last fall of putting in "half time" on the Xanadu project from January to June of this year, but (quite understandably) became swept away by the pressures of your thesis, and, if my impression is correct, you were hardly able to give us any time at all.

It was also quite difficult to reach you when first you went to New York, a rather untenable situation.

More important, though, has been the fact that there really hasn't been any real sympathy on your part for the overall goals and style of operation of the group. You may very well consider us a bunch of clowns, as many do, but we get things done eventually and we get them done right. On the other hand, it's become clear that we're not ready for people who aren't really with us spiritually. You and I share a certain political liberalism that the group doesn't have, but I have been unable to persuade you that the ideals of the system, and of doing it right, far transcend shallow and temporary business concerns. Which may or may not produce conflict on special issues, but it's an attitude, and one which makes your involvement not really workable. We probably won't have a product for a painfully long time yet; we need Believers.

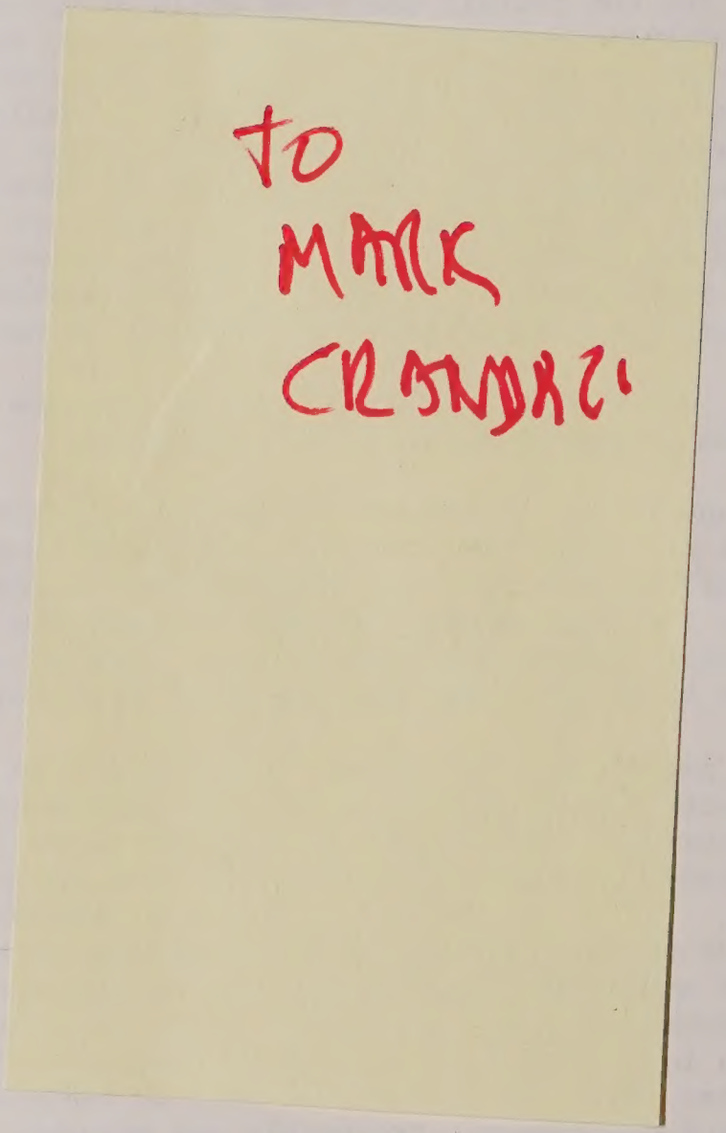
These are my feelings. The rest of the group came to the same conclusion earlier, criticizing especially your aloofness at the Hypercon.

So I think we should hang it up, straighten things out with the accounts and names of those who gave us money, and leave you free to go your way in more fast-moving company-- which I am sure you have found up thar in the big place. I want to thank you for the time and concern you did put into this effort, and I hope we can still remain friends and keep in touch. And of course when this is ready to fly I have no doubt we can find benefits in it for you.

I regret that we can't pay you for the efforts you have put in. Talk of shares of stock was, of course, contingent on levels of participation and involvement which I don't think were reached. Tell me if you think there were any understandings I'm leaving out. (And of course make sure all your expenses have been covered.)

Incidentally, one of the things that is slowing incorporation was the ill-advised solicitation of small amounts of money from friends around Christmas, which I thought Haase and Broadt advised-- evidently quite improperly. A very good legal firm says we are in violation of Federal law and wants $12,000 to straighten it out== or better, we should return the $600 or whatever it is. Only you know the amounts and purchasers. Presumably you remember the discussions; I believe it was due to unfortunate advice from the Media Lawyers that we went after cat-and-dog investments (tell me if I'm wrong). Anyhow, I need the list from you of everybody who put in money-- which we now have to give back. (Obviously we need better lawyers but can't afford 'em).

All the best, Ted


TO
MARK
CRANDALL